

NEW SOUTH WALES.

DIGEST OF CURRENT STATISTICS.

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EMPLOYMENT - New South Wales:

Employment in other than rural or private domestic work in New South Wales reached the new record figure of 967,100 (703,700 men and 263,400 women) at the end of August. During the main demobilisation period, 1945-47, employment increased by an average of nearly 6,000 a month but this year the rate of increase averaged only 2,000. School-leavers, trainees completing training and immigrants are at present the chief sources of additional labour. The low birthrate of the depression years has reduced the number of school-leavers. C.R.T.S. trainees entering jobs averaged about 500 a month in 1947 but only 200 to 300 latterly. Immigration is providing most of the new labour; about 400 displaced persons from Europe and a considerable number of other migrants were placed in jobs in this State in August.

The increase in the work force is insufficient to meet the labour demands of factories, commerce and service undertakings; vacancies registered by Commonwealth Employment Service offices in this State numbered 23,900 for men and 13,900 for women at the end of August. Labour shortages are reported from all major industries in Sydney, Newcastle and Wollongong, as well as from country towns in which factories have been established in recent years.

EMPLOYMENT IN NEW SOUTH WALES.  
(Excluding employers and workers on own account.)

(excluding employers and workers on own account.)						
Month	WAGE AND SALARY EARNERS IN EMPLOYMENT					Men from N.S.W. in Armed Forces
	Rural	Domestics (a)	All other Wage Earners (excl. Rural & Domestics)			
	Males	Females	Males	Females	Total	
T h o u s a n d s						
1939 - July	41(b)	52	530	168	698	6
1945 - July	23(b)	19	541	247	788	224
1946 - July	27(b)	20	625	243	868	50
1947 - June	26(b)		672	252	924	27
July			677	253	930	26
August			679	256	935	25
1948 - June			702	262	964	15
July			702	262	964	15
August			704	263	967	14

(a) Employed in private households. (b) Ascertained annually in March. Permanent employees only.

EMPLOYMENT IN INDUSTRIES:

Employment increased during the past twelve months principally in factories (9,900), building and construction (4,700), road transport (2,000), communication (2,200) retail trade (4,900) and wholesale trade (3,100). The growth in employment since 1939 in basic industries such as building and construction and mining has lagged far behind that in factories, transport and service industries.

EMPLOYEES IN MAIN INDUSTRIES, NEW SOUTH WALES (a)  
(Thousands - Males and Females combined)

(Thousands Males and Females combined)									
Month	Factor- -ics	Building & Mining & Construct-Quarry- ioning	Transport & Communi- -cation	Retail Trade	Commerce and Finance	Profess'l & Personal Services	Other & Salary Earners(a)	TOTAL Wage	
1939-July	218.1	58.4	24.8	81.6	80.0	67.5	105.7	61.8	697.9
1945-July	302.3	34.9	24.9	100.5	67.7	56.7	115.4	85.5	787.9
1946-July	322.8	46.0	25.9	110.2	81.3	72.3	130.3	79.6	868.4
1947-May	337.3	56.2	26.6	114.7	86.4	78.2	139.5	80.6	919.5
June	338.6	56.7	26.8	115.6	87.1	78.6	139.5	81.0	923.9
July	341.8	58.0	26.9	115.5	87.5	79.0	140.0	80.9	929.6
August	343.9	57.8	27.0	115.8	87.9	79.4	141.8	81.2	934.8
1948-May	348.6	61.2	28.0	120.6	92.3	82.8	144.5	82.7	960.7
June	350.0	61.2	28.3	121.8	92.3	82.7	144.4	83.1	963.8
July	351.0	62.2	28.3	121.2	92.2	82.5	143.7	82.8	963.9
August	351.7	62.7	28.2	121.2	92.4	83.8	144.1	83.0	967.1
Variation:-									
July to July									
1939 to 1945	+84.2	-23.5	+0.1	+18.9	-12.3	-10.8	+9.7	+23.7	+90.0
1945 to 1947	+39.5	+23.1	+2.0	+15.0	+19.8	+22.3	+24.6	-4.6	+141.7
July Aug.									
1947 to 1948	+9.9	+4.7	+1.3	+5.7	+4.9	+4.8	+4.1	+2.1	+37.5
1939 to 1948									
Incr. Persons	+133.6	+4.3	+3.4	+39.6	+12.4	+16.3	+38.4	+21.2	+269.2
Incr. Per cent	+61%	+7%	+14%	+49%	+16%	+24%	+36%	+34%	+39%

(a) Excluding rural workers and female domestics in private households

(+) denotes increase (-) decrease.



Employment of women (excluding rural and private domestic workers) rose by nearly 50% during the war years, from 168,000 to 246,700. With the return of some women to household duties the number declined to 243,000 in July, 1946, but it rose steadily to 263,400 at the end of August, 1948, or 95,400 more than in 1939. The gain, however, is partly due to transfers from paid domestic work to factory and other jobs and it has failed, by far, to meet demands for women workers in factories, offices, hospitals, restaurants, etc..

FEMALE EMPLOYEES IN MAIN INDUSTRIES: NEW SOUTH WALES.

(Thousands)

Month	Factories	Transport & Communi- cation	Retail Trade	Commerce and Finance	Professional & Personal Services	Other	Total Female Wage & Salary Earners (a)
1939-July	59.3	4.2	36.0	8.5	49.1	10.9	168.0
1945-July	85.7	14.5	37.5	21.1	69.6	18.3	246.7
1946-July	83.1	12.9	39.2	21.1	73.3	13.4	243.0
1947-June	86.5	12.8	40.7	22.2	77.1	12.8	252.1
July	87.0	13.0	40.9	22.3	77.1	12.6	252.9
August	87.6	13.1	41.0	22.7	78.3	12.7	255.4
1948-June	88.8	13.9	43.0	23.5	79.6	12.8	261.6
July	89.7	13.8	42.8	23.6	79.2	12.7	261.8
August	90.3	13.9	42.8	24.5	79.4	12.5	263.4
Variation (b)							
July to July							
1939 to 1945	+ 26.4	+10.3	+1.5	+12.6	+ 20.5	+7.4	+78.7
1945 to 1947	+1.3	- 1.5	+3.4	+1.2	+ 7.5	-5.7	+ 6.2
July to Aug.							
1947 to 1948	+3.3	+ 0.9	+1.9	+2.2	+ 2.3	-0.1	+10.5
1939 to 1948							
Increase	+31.0	+ 9.7	+6.8	+16.0	+30.3	+1.6	+95.4

(a) Excluding rural workers and female domestics in private households.

(+) denotes increase (-) decrease.

EMPLOYMENT IN FACTORIES:

Total employment in factories increased by 700 persons in August, due to small rises in all major groups, excepting the metal trades in which industrial disputes (since settled) caused a reduction of 500.

In the war-time and post-war growth of factories the employment of women increased by 52% from 59,300 to 90,300 (July, 1939 to August, 1948), that is proportionally less than the 64% increase in male factory employment (from 158,800 to 261,400). Women are employed chiefly in clothing, textile, light metal, food and tobacco industries in all of which expansion, though considerable, has been hampered by the persistent shortage of female labour.

FACTORY EMPLOYEES (a) NEW SOUTH WALES.

(Thousands - Males and Females combined)

Factory Class	1939	1945	1946	1947	1948	July	August
	July	July	July	July			
Bricks, cement, glass, etc.	12.3	10.4	13.6	15.3	15.5	15.7	15.9
Chemicals, paints, etc.	8.0	12.3	14.2	14.2	14.5	15.3	15.4
Metal trades (incl. vehicles)	81.3	143.7	138.1	146.7	147.6	150.1	149.6
Textiles	14.7	17.8	19.9	21.4	21.5	21.8	21.9
Clothing	29.1	33.4	39.9	43.3	43.7	44.9	45.1
Food, drink and tobacco	26.4	32.5	34.3	33.9	33.8	34.7	35.0
Sawmills, woodworking, furniture	14.4	16.5	19.0	20.7	21.1	21.4	21.6
Paper, printing, etc.	16.4	15.7	18.8	20.4	20.3	20.6	20.6
Other factories	15.5	20.0	25.0	25.9	25.9	26.5	26.6
All Factories - Men	158.8	216.6	239.7	254.8	256.3	261.3	261.4
Women	59.3	85.7	83.1	87.0	87.6	89.7	90.3
Total	218.1	302.3	322.8	341.8	343.9	351.0	351.7

(a) Excluding working proprietors.

COMMONWEALTH EMPLOYMENT SERVICE - New South Wales:

Commonwealth Employment Service reports show that the labour shortage in this State is growing worse. Unfilled vacancies registered for men totalled 23,900 (including 4,800 for boys) and for women 13,900 (including 4,700 for girls) at the end of August a total of 37,800 compared with 28,400 in August, 1947 and 25,700 in August, 1946. Labour shortages are reported from all major industries in particular in building and construction, metal works and other manual jobs for men, and in clothing and textile factories and clerical and domestic work for

women. Over three-quarters of the vacancies are reported in the metropolitan area, but considerable labour shortages also exist in the heavy industries in the Newcastle and Wollongong districts, as well as in some country towns (Goulburn, Lithgow, Lismore, Albury, Wagga, Dubbo) for factory, construction and rural work.

At the end of August, 1948, 6,200 men were registered for placement. These included 1,400 men in jobs which they wished to change and about 400 incapacitated miners, as well as a number of other men who are difficult to place because of age and disabilities. Small labour surpluses of car and truck drivers, watchmen and senior clerks are outweighed by far by the demand for labour in other occupations. Only about 250 men and less than 50 women drew unemployment benefits in 1948.

REGISTRATIONS WITH COMMONWEALTH EMPLOYMENT SERVICE, N.S.W.  
(Thousands)

End of Month	JUVENILES				ADULTS				Unemployment Beneficiaries	
	Males		Females		Males		Females		Males	Females
	Un-placed	Vacancies	Un-placed	Vacancies	Un-placed	Vacancies	Un-placed	Vacancies		
1946 - August	0.6	1.8	0.6	5.4	10.1	10.0	1.2	10.5	2.5	0.1
1947 - June	0.7	2.4	0.6	4.6	6.9	12.2	1.2	7.4	1.4	0.1
July	0.7	2.6	0.5	4.8	6.9	12.8	1.2	7.0	1.4	0.1
August	0.7	2.7	0.5	4.6	6.2	13.8	1.2	7.3	1.1	0.1
1948 - June	0.6	5.1	0.5	4.7	5.6	18.6	1.5	8.7	0.2	-
July	0.6	5.1	0.6	4.8	5.7	19.1	1.7	8.8	0.2	-
August	0.6	4.8	0.6	4.7	5.6	19.1	1.7	9.2	0.2	-

MOTOR VEHICLES REGISTRATIONS, New South Wales: (Table

Registrations of new cars in New South Wales increased from an average of 1,018 a month in 1947 and about 1,500 in January-June, 1948 to 2,190 in July and 2,479 in August, that is 42% above the monthly average for 1937-39. This rise is due mainly to more rapid delivery of cars from the United Kingdom, particularly those of the smaller type. British manufacturers (including American concerns with factories in England) supplied about 20% of total new cars in 1935-36, about 40% in 1938-39, 50% in 1947 and 80% in August, 1948, while registrations of cars of American origin declined correspondingly. The number of cars on the New South Wales register reached the record figure of 218,000 at the end of August, 1948, - that is an increase of 17,000 since August, 1947 and about 1,400 above the pre-war peak of 216,600 reached in August, 1939.

Registrations of new commercial vehicles (lorries, utilities, vans and road tractors) in New South Wales have risen to record levels also with 1,001 in July and 1,059 in August, 1948. The record number on the register (133,400) at the end of August, 1948, was nearly 70% above August, 1939. Commercial vehicles are imported mainly from America but the proportion from the United Kingdom rose from 18% of the total in 1938 and 12% in 1947 to 27% in August, 1948.

Despite the accelerated rate of delivery of cars and commercial vehicles the demand for new vehicles to replace worn-out vehicles and to serve expanded transport needs remains very heavy.

REGISTRATION OF MOTOR VEHICLES, NEW SOUTH WALES.

Period	NEW VEHICLES REGISTERED			CIVILIAN VEHICLES ON REGISTER (a)		
	Cars	Lorries (b)	Total	Cars	Lorries (b)	Total
1937-39 (Monthly Average)	1,748	735	2,483	216.6(c)	78.7(c)	295.3(c)
1945 - (Monthly Average)	21	197	218	185.7(c)	86.1(c)	271.8(c)
1946 - (Monthly Average)	320	437	757	191.7(c)	102.2(c)	293.9(c)
1947 - (Monthly Average)	1,017	664	1,681	200.9(c)	115.9(c)	316.8(c)
1948 - January	871	540	1,411	206.7	125.5	332.2
June	1,852	980	2,832	213.7	130.8	344.5
July	2,190	1,001	3,191	215.7	132.0	347.7
August	2,479	1,059	3,538	218.0	133.4	351.4

- (a) At end of month. (b) Including utilities, vans and road tractors.  
(c) At 31st August, 1939, 1945, 1946 and 1947.



# COAL, IRON AND STEEL PRODUCTION, New South Wales:

Coal production in New South Wales improved in July, August and September, 1948, and for the 36 weeks ended 11th September was 8.04 million tons equalling that of the same period of 1947, whereas in the corresponding ~~four~~<sup>four period</sup> weeks of the preceding years output was well below 8 million tons. Output was reduced by disputes in the second week of September, 1948, but afterwards recovered quickly. The Southern fields worked on two Saturdays and the Northern fields on one Saturday in September. Open-cut mines are becoming increasingly important; they contributed 5% of total output in 1945, 8% in 1947, and 11% in the eight months ended August, 1948.

## PRODUCTION OF COAL, IRON AND STEEL, New South Wales. (Thousand tons)

Period	C o a l			Pig Iron		Ingot Steel
	Underground	Open-Cut	Total	N.S.W.	Whyalla(a)	
Yearly Average						
1936-1939(b)	10,054	-	10,054	932.7	-	1055.5
1940-1944(b)	11,284	120(c)	11,404	1304.0	138.7	1555.5
1945	9,653	523	10,176	960.1	-	1099.3
1946	10,430	756	11,186	855.7	146.1	1185.8
1947	10,726	959	11,685	964.3	207.1	1218.0
Thirty-six weeks ended						
13th September, 1947	7,385	651	8,036	669.2	142.2	828.3
11th September, 1948	7,163	874	8,037	668.0	139.7	837.1

(a) Production in Whyalla, S.A., much of which used in N.S.W. Steelworks; included in averages as from 1941.

(b) Average for years ended 30th June for iron and steel production.

(c) Open-cut included in averages as from 1943.

Pig iron production in New South Wales for the 36 weeks ended in September, 1948 totalled 668,000 tons, slightly below output for the same period of 1947 and steel output in 1948 (837,000 tons) was a little higher than in 1947 (828,000 tons). Although iron and steel output in this State is well above pre-war level and additional iron supplies are now available from Whyalla S.A. the production is insufficient to meet the greatly increased demand.

## GAS AND ELECTRICITY CONSUMPTION - Sydney:

Most of the restrictions imposed on gas and electricity consumption at the end of June were lifted as from 12th August, and the consumption index for gas and electricity (seasonally adjusted) rose from 163 in July to 174 in August, 1948, that is equal to the average for the year 1947-48 and 74% above pre-war

### INDEX OF GAS AND ELECTRICITY CONSUMPTION, SYDNEY

Seasonally Adjusted; Monthly Average 1937-39=100				
Yearly Average	Index	Month	Index	
1938-39	104	1948 - April	181	
1944-45	143	May	168	
1945-46	147	June	173	
1946-47	161	July	163	
1947-48	174	August	174	

## NEW SOUTH WALES RAILWAYS:

Railway time-tables in July were reduced because of coal shortages but restrictions were lifted in August, and both passenger traffic (23.1 million passenger journeys) and goods traffic (1.55 million tons) in August were the highest for that month since the war and 46% and 26% respectively above August, 1938. Gross earnings totalled £6.27 million in July and August, 1948, that is an increase of £940,000 over the same period of 1947 due to increased fares and freight rates (as from 13th August, 1947) and to heavier traffic. Working expenses rose by £610,000 over the period, leaving a surplus of £920,000 in 1948 (July and August) compared with £590,000 in 1947 and £1 million in 1946. Comparing July and August 1948 with 1938, gross earnings have increased by £3.15 million (101%), working expenses by £2.99 million (127%) and the surplus on working account for the two months by £160,000.

### NEW SOUTH WALES GOVERNMENT RAILWAYS

Year	Two Months ended August					Month of August	
	Passenger Journeys	Goods (excl. Livestock)	Gross Earnings	Working Expenses	Net (a) Earnings	Passenger Journeys	Goods (excl. Livestock)
	millions	mill. tons	£mill.	£mill.	£mill.	millions	mill. tons
1938	31.4	2.60	3.12	2.36	0.76	15.8	1.23
1946	42.3	2.92	5.09	4.09	1.00	20.5	1.43
1947	43.0	3.04	5.33	4.74	0.59	21.7	1.48
1948	43.6	3.05	6.27	5.35	0.92	23.1	1.55

(a) Excess of gross earnings over working expenses; excluding Government contribution £800,000 for developmental lines.

GOVERNMENT TRAMS AND BUSES (Sydney and Newcastle):

The number of passenger journeys on tram and bus services in Sydney and Newcastle in July and August, 1948 (81.5 million) was slightly below the 1947 figure (82.4 million) possibly because of the interruption in Sunday tram services in Sydney but gross earnings of £1.26 million were £12,000 greater.

NEW SOUTH WALES GOVERNMENT TRAMS AND BUSES - SYDNEY AND NEWCASTLE.

Year	Two Months ended August				Month of August		
	Passenger Journeys(a)	Gross Earnings	Working Expenses	Net Earnings(b)	Passenger Journeys(a)	Gross Earnings	Working Expenses
	millions	£000	£000	£000	millions	£000	£000
1938	59.3	679	606	73	29.3	335	307
1946	87.4	1,000	1,018	(-) 18	44.3	507	519
1947	82.4	1,251	1,215	36	40.9	621	608
1948	81.5	1,263	not available		40.7	633	n.a.

(a) Estimated. (b) Available to meet depreciation and debt charges.

INDUSTRIAL DISPUTES - New South Wales:

Disputes in the mining industry caused a loss of 26,000 man-working days in August, 1948, compared with 33,000 in July. During the eight months ended August losses through disputes in mines averaged 34,500 a month compared with monthly averages of 33,000 in 1947 and 40,000 in 1937-39. An analysis by the Joint Coal Board for the four weeks ended 16th August, 1948 shows that of possible man-shifts in underground coal mines 80% were worked, 9% lost through industrial disputes, 3% through absenteeism.

Disputes in the electrical, metal and other non-mining industries led to a loss of 12,000 man-working days in August. The monthly average for the eight months ended August was 16,500 which is well below the average of recent years.

INDUSTRIAL DISPUTES - NEW SOUTH WALES.  
(Thousand Man-days lost)

Annual Averages	Mining	Other Employment	Total	Monthly Averages	Mining	Other Employment	Total
1919-21	307	1,392	1,699	1937-39	40	14	54
1937-39	474	170	644	1947	33	61	94
1940-44	483	328	811	1948-Jan.-March	46	29	75
1945	630	1,249	1,879	April-June	28	6	34
1946	299	617	916	July	33	17	50
1947	392	735	1,127	August	26	12	38



GENERAL:

The appearance, with the Commonwealth Budget, of the statement "National Income and Expenditure, 1947-48" affords an opportunity to appraise the financial situation against the background of basic trends in the social accounts.

The outstanding features in post-war banking figures in Australia are the sustained increase in trading and saving bank deposits, the re-expansion of bank loans and the increase in overseas funds held by the Commonwealth Bank. The Australian note issue (held by the public) rose from £33 million in June, 1939 to £182 million in 1946 and has declined by £9 million since. But public deposits with all banks (excluding Government, inter-bank and savings bank deposits), after rising from £334 million to £671 million between 1939 and 1946, increased further to £772 million in June, 1948; and savings bank deposits show a similar trend with rises from £246 million to £663 million and £681 million.

Government expenditure was the main factor in credit expansion during and immediately after the war. In 1947-48, however, revenue of public authorities met all expenditure and provided £25 million for repayment of public debt. The major stimuli to credit expansion in this year were an increase of £58 million in the net export balance (all goods and services) and strong industrial expansion within the country. This was a principal cause of the increase in national income from £1,359 million to £1,635 million; another important factor was the rise in internal prices.

Falling income-tax rates have not led to any increase in the proportion of personal income devoted to consumption expenditure; this remained at 76% in 1946-47 and 1947-48 alike, compared with 89% in 1938-39. The rate of saving, in fact, increased from 11% of personal income in 1946-47 to 13% in 1947-48, compared with 6% in 1938-39.

A feature of the financial year was the heavy inflow of private capital, estimated at £69 million, or double the 1946-47 figure: (being a residual item, this estimate is subject to some error, but the scale of the increase is sufficiently indicated). As short-term overseas funds rose in the same period by £90 million, however, the effect was that gross investment was financed, on balance, from internal sources.

Parallel to the increase in personal incomes stands a rise in company incomes from £84 million in 1938-39 to £155 million in 1946-47 and £167 million in 1947-48 out of which dividends and interest of £25 million, £32 million and £35 million respectively were paid to individuals.

Contrary to the rise in private consumption and investment expenditure, net expenditure by public authorities (goods and services) was reduced from £338 million in 1945-46 to £254 million and £239 million in 1946-47 and 1947-48, but that is still about double the pre-war figure.

Some of the abovementioned trends are summarised in the tables below:-

NATIONAL INCOME, EXPENDITURE AND SAVING, AUSTRALIA.

	Year ended June									
	1939		1945		1946		1947		1948	
	£m	%	£m	%	£m	%	£m	%	£m	%
Personal Consumption	667	89	762	64	862	67	998	76	1208	76
Direct taxes on Persons	33	5	166	14	171	13	167	13	177	11
Personal Savings (inc. Assurance)	48	6	267	22	264	20	148	11	204	13
PERSONAL INCOME	748	100	1195	100	1297	100	1313	100	1589	100
Company Income	84		134		131		155		167	
Less dividends paid to persons	-25		-31		-30		-32		-35	
Less Soc.Serv.benefits & def.pay	-31		-63		-139		-94		-94	
Other items	38		39		25		17		8	
NATIONAL INCOME	814		1274		1284		1359		1635	
Indirect Taxes (less subsidies)	90		125		133		175		172	
Depreciation Allowances	45		56		54		57		63	
GROSS NATIONAL PRODUCT	949		1455		1471		1591		1870	
Gross Private Investment	140		90		175		330		355	
Net Borrowing of Public Authorities	27		211		158		4		-25	
TOTAL INVESTMENT	167		301		333		334		330	
<u>INTERNAL SOURCES OF INVESTMENT</u>										
Personal Savings (inc. Assurance)	48		267		264		148		204	
Other	94		114		120		145		142	
Total, Internal Sources	142		381		384		293		346	
<u>OVERSEAS SOURCES OF INVESTMENT</u>										
Public Authority Borrowing	2		-20		-45		-7		-9	
Private Borrowing	-2		-31		12		34		69	
Decrease in International Reserves	25		-29		-18		14		-76	
Total Oversea Sources	25		-80		-51		41		-16	
TOTAL FUNDS AVAILABLE	167		301		333		334		330	

TRADING BANKS - New South Wales:

Customers' deposits with trading banks in New South Wales fell from the peak of £266 million in May, 1948 to £254 million in August, as a result of seasonal withdrawals and tax payments, equalling a corresponding seasonal fall between April and August, 1947. Bank advances have increased at a slower rate during the current year than in 1947.

NINE TRADING BANKS, DEPOSITS AND ADVANCES IN N.S.W.  
(Weekly Averages - £ millions)

Quarter ended	Deposits at Customers' credit	Advances to Customers	Month	Deposits at Customers' credit		Advances to Customers outstanding	
				1947	1948	1947	1948
1939	117	120	March	247	262	108	137
1944	205	84	April	249	265	112	137
1945	225	83	May	246	266	114	138
1946	239	88	June	244	265	117	143
1947	247	114	July	237	257	122	143
1948	265	140	August	237	254	124	147

A U S T R A L I A:

Mid-year seasonal demands on the trading banks in Australia are reflected in a fall of £21 million in deposits and a rise of £24 million in advances between April and August, 1948. The necessary funds were provided by a reduction in Treasury bill holdings (£19 million) and cash (£4 million), a release of £8 million from special deposits and an increase of £19 million in balances due to other banks.

The item 'Balances due to other Banks' normally consists in small accounts kept between banks and balances of overseas banks held by Australian banks in Australia; the total of these balances for the nine trading banks usually fluctuated around £1 million to £2 million in recent years, but during the past twelve months it has risen to £36 million, the increase being confined to four of the banks. No official explanation for this unusual movement has been published. An indication as to the lending agency concerned is given by a parallel increase in "other assets" in the Central Banking Division of the Commonwealth Bank (£7 million in August, 1947 and £42 million in 1948), suggesting that some of the



trading banks may have drawn on the Central Bank for the financing of some large advances.

NINE TRADING BANKS - Business within Australia  
(Weekly Averages - £ million)

Month	Deposits at credit of Customers	Balances due to Other Banks	Advances to Customers	Public Securities	Special A/c. with Cwth. Bank	Treas -ury Bills	Cash Items	Ratios to Deposits	
								Ad-vances %	Special Account %
1939-August	315	1	294	22	-	19	31	93	-
1945-August	575	1	210	107	224	55	38	37	39
1946-August	616	2	238	113	252	23	37	39	41
1947-July	633	3	303	78	253	11	36	48	40
August	629	3	308	76	240	11	41	49	38
1948-April	709	17	338	59	280	31	50	48	40
May	708	19	344	59	287	26	44	49	40
June	717	28	349	59	293	19	46	49	41
July	699	35	362	60	285	12	41	52	41
August	688	36	362	60	272	12	46	53	40

SAVINGS BANK DEPOSITS - New South Wales:

Withdrawals from the Commonwealth Savings Bank exceeded new deposits in August, 1948, by about £350,000, after a net gain of £1.2 million (plus £3.8 million interest credits for year) during the preceding seven months, and total deposits receded from the record level of £237.3 million reached in July to £236.9 million at the end of August.

The movement is too small to indicate a change in savings trends; it may be connected with seasonal movements such as tax payments. Total deposits in all Australian savings banks rose to the new peak of £683.6 million in August, 1948.

SAVINGS BANK DEPOSITS.  
(£ million)

Period	New South Wales				Total Deposits at end of Period	
	Deposits Lodged	Withdrawals made	Net Increase or decrease { }	Interest added	N.S.W.	Australia
1939 Jan.-June	-	-	-0.7	1.6	87.5	245.6
1945 Jan.-June	72.1	56.1	16.0	3.1	198.2	567.0
July-Dec.	90.8	69.4	21.4	-	219.6	622.6
1946 Jan.-June	100.5	87.4	13.1	3.6	236.3	663.6
July-Dec.	84.2	89.2	-5.0	-	231.3	653.8
1947 Jan.-June	75.0	78.7	-3.7	3.8	231.4	660.0
July-Dec.	82.8	82.9	-0.1	-	231.3	661.9
1948 Jan.-June	78.2	76.3	1.9	3.8	237.0	681.3
July	14.4	14.1	0.3	-	237.3	682.6
August	13.4	13.8	-0.4	-	236.9	683.6

REAL ESTATE TRANSACTIONS - New South Wales:

The number of real estate transactions in New South Wales in August, 1948 (7,280) and their registered value (£5.14 million) remained at the high level of previous months.

The value of transactions for the eight months ended August, 1948 was £39.4 million, that is £2 million more than for the same period of 1947. The value of new mortgages registered for the 1948 period (£21.4 million) was about £5 million greater than in the 1947 period, indicating increased recourse to borrowing in real estate transactions.

REAL ESTATE TRANSACTIONS, NEW SOUTH WALES

Yearly Average	Sales		Mortgages		Period	Sales		Mortgages	
	Transact-ions	Consid-eration	Consid-eration			Transact-ions	Consid-eration	Consid-eration	
	No.	£mill.	£mill.			No. p.mth.	£m. p.mth.	£m. p.mth.	
1936-39	45,838	32.26	24.26		1947-March Qtr.	6,393	4.57	1.96	
1940-44	39,532	25.47	10.00		June Qtr.	6,396	4.32	2.02	
1944-45	43,521	23.35	7.61		July	7,918	5.33	2.48	
1945-46	60,734	35.66	13.95		August	6,360	5.35	2.08	
1946-47	37,532	57.90	25.05		1948-March Qtr.	6,023	4.79	2.84	
1947-48	79,694	60.20	30.92		June Qtr.	6,472	5.10	2.79	
					July	6,487	4.62	2.24	
					August	7,280	5.14	2.31	

RETAIL TRADE (Large Sydney Stores):

The value of retail sales recorded by large Sydney stores during the first seven months of the current year exceeded that for the corresponding period of 1947 by 21%. The high turnover is partly due to rising prices, the clothing and food price indexes (Sydney) advanced by 13% between the June quarters of 1947 and 1948, but continued strong demand stimulated by rising incomes, improved retail stocks and lifting of nearly all rationing have been contributing factors. Both national income (Australia) and value of retail sales (Sydney) about doubled between 1939 and 1948, while on the average, relevant prices have probably not risen to quite the same extent, suggesting an increase in physical turnovers to above pre-war levels partly due to the 15% increase in Sydney's population - (1939 to 1947) .

RETAIL TRADE - LARGE SYDNEY STORES.

Percentage increase ( ) or decrease ( - ) on same period of previous year

Three Months Moving Average ended Month shown	VALUE OF SALES			Month	VALUE OF STOCKS		
	1946	1947	1948		1946	1947	1948
	%	%	%		%	%	%
March	37	+15	+20	March	-11	+38	+30
April	45	+14	+24	April	-13	+39	+29
May	49	+13	+22	May	-13	+41	+26
June	+35	+19	+19	June	-8	+35	+27
July	29	+19	+16	July	+1	+29	+19
Increase seven months ended July	35	16	21	Decrease or Increase Seven months ended July	-9	37	27

Comparing sales values in July, 1948 with July, 1947, the principal increases occurred in piece goods and men's wear (for which rationing was lifted during the year), as well as shoes, furniture, general hardware and electrical goods. Stock values increased considerably for household piece goods, hosiery, women's shoes, furniture and hardware.

LARGE SYDNEY STORES

Percentage increase July 1948 compared with July, 1947.

	Sales	Stock		Sales	Stock
	%	%		%	%
Piece Goods	50	26	Furniture	34	32
Women's Wear	24	2	Hardware	36	32
Men's Wear	46	19	Food & Perishables	9	13
Boots & Shoes	38	21	Miscellaneous	12	3
Total Clothing and Piece Goods	36	15	All Classes	30	19

BALANCE OF PAYMENTS (Australia):

Australia's overseas transactions on civil account show a net surplus for goods and services of £51 million in 1947-48, compared with £28 million in 1945-46 and £39 million in 1946-47. This is the excess of civil exports over civil imports, visible and invisible. Trade figures reached new record levels because of the good export season and the large demand for imports coupled with much higher import and export prices.

Payments on war account left a small surplus of £2 million in 1947-48. During the first four years of the war expenditure on that account exceeded receipts by a total of £83 million, but due to Allied war expenditure in Australia and the benefit of lend-lease supplies, the Government war account showed surpluses of £62 million, £69 million and £57 million in the three following years; in 1946-47 settlement of accounts with the British and American Governments, relief and rehabilitation contributions and the gift of £25 million to the United Kingdom Government resulted in a net deficiency of £44 million. Taking the nine years ended 1947-48 the payments gain on account of overseas war transactions totalled £63 million.

Repayments and conversions reduced Australia's interest commitments for public overseas debts from £27 million in 1938-39 to approximately £20 million in 1947-48. Interest and dividend commitments, however, are likely to increase with the growing inflow of foreign capital. Overseas debt owing by public authorities was reduced by £104 million during the past nine years. Against that stands an inflow of private capital in the vicinity of £256 million (this figure, shown in the table following, is approximate only, being calculated as the balancing item of the payments balance and thus includes errors and omissions in other items and also some temporary credits).



The financial advantages of lend-lease during the war and the favourable trading balance have resulted in a substantial increase in Australia's overseas funds. International currency reserves held by the Commonwealth Bank and all trading banks rose from £78 million in June, 1938 (£56 million in 1939 after a poor export season) and £199 million in 1947 to £273.5 million in June, 1948. Considering the nearly threefold increase in import prices the present level of overseas reserves is proportionally not much above the pre-war average. Furthermore, because of England's present difficulties Australia has undertaken for the time being not to reduce London funds and to restrict dollar imports to a minimum, whereas in pre-war years such transfer problems did not apply to Australia's sterling reserve.

Australia's 1947-48 balance of payments appears favourable, but continuance of the contributing factors such as the exceptionally strong export position and the inflow of private capital is not assured; moreover, overseas reserves are not freely available under present conditions to meet currency demands for imports.

BALANCE OF INTERNATIONAL PAYMENTS, AUSTRALIA.  
(£A millions)

Item	Year 1938-39	6 years 1939-45	Year 1945-46	Year 1946-47	Year ø 1947-48
Exports, civil a/c.	122	805	146	243	393
Gold produced	15	73	7	10	10
Other credits	14	82	14	8	19
Total Credits	+151	+960	+167	+261	+422
Imports, civil, f.o.b.	-109	-551	-110	-191	-327
Freight and Insurance	-16	-158	-24	-26	-40
Net tourist exp.	-4	-5	-5	-5	-4
Net Export, civil a/c.	+22	+246	+28	+39	+51
Net War expenditure	-4	+43	+57	-44	+2
Interest, Dividends	-43	-246	-34	-36	-37
Balance-Current Transactions	-25	+48	+51	-41	+16
Overseas Loans or Repayments					
Public	+2	-43	-45	-7	-9
Private	-2	+141	+12	+34	+69
Overseas Reserves	-25	+146	+18	-14	+76

(+) denotes inflow of payments for exports, overseas borrowing; also gold production and increase in overseas reserves.

(-) denotes outflow of payments for imports, interest paid, loan repayments, also decrease in overseas reserves.

ø 1947-48 figures are estimates, subject to revision.

Differences in overseas trade figures, as shown above, and in official trade figures for the war and post war years are mainly due to delays in shipment of wool and wheat bought and paid for by the United Kingdom authorities during the war and included in the payments balances of the years of payment, but entered in trade returns in the years of shipment.

NEW SOUTH WALES GOVERNMENT ACCOUNTS:

State revenue for July and August, 1948 amounted to £14.08 million, that is £1.88 million more than for the same months of 1947, the principal increases being in Commonwealth tax reimbursements (£270,000) State tax revenue (£380,000) and railway revenue (£900,000 - increases in fares and freight rates came into force on 13th August, 1947). State expenditure rose by about £1 million due to higher departmental appropriations and increased cost of the business undertakings. A revenue surplus for the two months of 1948 of £480,000 compares with a deficiency of £390,000 in 1947 and a surplus of £190,000 in 1946.

NEW SOUTH WALES GOVERNMENT ACCOUNTS  
(£ millions)

REVENUE				EXPENDITURE			
Item	July and August			Item	July and August		
	1946	1947	1948		1946	1947	1948
From Commonwealth x	2.9	2.9	3.1	Net Debt Charges	2.5	2.6	2.5
State Taxation	1.2	1.6	2.0	Other than Debt Charges			
Other Governmental	1.3	1.2	1.4	Governmental	3.7	3.9	4.5
Business Undertakings	6.4	6.5	7.6	Business Undertakings	5.4	6.1	6.6
Total Revenue	11.8	12.2	14.1	Total Expenditure	11.6	12.6	13.6

x Reimbursement of taxes, payments towards interests and hospital benefits.

iii Railways, trams and buses, maritime services. Excludes debt charges.

Accounts of the road transport and traffic Fund are not included.

Net loan expenditure on works for July-August, 1948 totalled £2.26 million, about £600,000 more than in the same period of 1947.

### INTER-BANK CLEARINGS AND DEBITS TO CUSTOMERS' ACCOUNTS, N.S.W.:

Inter-bank clearings in Sydney in September quarter averaged £123 million a month in 1945, £173 million in 1947, and £218 million in 1948 and are now nearly three times as high as in 1939. Factors in the increase are rising prices and incomes and commercial and industrial expansion. A fall from £221 million to £218 million a month between June and September quarters of 1948 corresponds to a seasonal decrease in tax payments and termination of wool sales after June.

#### INTER-BANK CHEQUE CLEARINGS - SYDNEY. (a) (Monthly Averages)

Period	(Monthly Averages)				Percentage Increase on previous year		
	1945	1946	1947	1948			
	£ millions				1946	1947	1948
March Quarter	115	130	153	182	13%	18%	19%
June Quarter	129	149	180	221	16%	21%	23%
September Quarter	123	162	173	218	32%	7%	26%
December Quarter	128	168	196		31%	17%	

(a) excluded government transactions.  
Debits to customers' accounts in all New South Wales trading banks show similar trends. Weekly averages in June quarter rose from £51.3 million in 1946 to £62.3 million in 1947 and £75.5 million in 1948, and were £75.0 million in July-August, 1948.

#### DEBITS TO CUSTOMERS' ACCOUNTS.

All Banks, N.S.W. excluding Government Accounts (£ millions-Weekly Averages)

Year	March Qr.	June Qr.	September Qr.	December Qr.
1945	(a)	(a)	(a)	44.7
1946	45.4	51.3	55.0	58.2
1947	56.7	62.3	63.5	70.4
1948	66.8	75.5	75.0(b)	

(a) Not Available.

(b) Average July and August, 1948.

### SYDNEY STOCK EXCHANGE:

Share prices at the Sydney Stock Exchange in August and September receded, on the average, by 1 to 2%. The demand for investment shares was generally well maintained but buyers did not raise bids above the high ruling price levels. The worsening in the European political situation and recessions on the New York and London Stock Exchanges at the end of September caused share prices to ease here also. The price index for 34 active shares rose from 247.2 in December, 1946 shortly before restrictions on share dealings were removed to 283.7 in January, 1948, has fluctuated since between 268 and 280 and was 276 in September, 1948.

#### INDEX OF SHARE PRICES - SYDNEY.

Prices of Ordinary Shares (excl. banks). Par value = 100  
(Compiled by N.S.W. Govt. Statistician.)

Month	Manufact'g & Distributing	Retail	Public Utilities	Pastoral Finance	Insurance	Total 75 Companies	34 Active Shares
1939-Aug.	212.6	168.2	156.0	118.2	263.9	174.4	181.9
1942-Mar.	173.0	138.3	120.8	110.3	213.7	140.6	147.0
1946-Dec.	292.4	251.6	197.3	160.7	322.5	229.7	247.2
1947-Jan.	307.8	289.0	202.9	165.5	343.8	243.8	259.6
Sept.	332.1	306.4	187.9	168.8	399.6	253.5	264.5
1948-Jan.	361.4	315.5	184.7	191.7	407.8	271.5	283.7
Mar.	345.3	305.6	179.7	173.7	401.6	260.5	268.4
June	362.7	319.6	177.2	187.6	407.0	267.7	279.4
July	363.4	322.1	175.0	185.2	409.2	267.6	280.0
Aug.	361.4	319.9	172.8	183.7	414.9	266.0	277.6
Sept.	359.6	316.0	173.1	184.5	414.7	264.2	276.1

NOTE: Regulations restricting trading and price movements in company shares imposed in February, 1942, with subsequent amendments, were rescinded in January, 1947.



COMMONWEALTH BANK-CENTRAL BANKING BUSINESS-AUSTRALIA:

Gold and overseas funds held in the Central Bank rose from £217 million in September, 1947 to £255 million in June, 1948 and to £292 million in September, 1948, which indicates the continuing excess of export returns and capital inflow over imports and other overseas payments.

A release of £26 million from Special Accounts of the trading banks during the September quarter, 1948 (£33 million in 1947) reflects seasonal demands on the banking system. The increase in free accounts of the trading banks with the Central Bank is probably connected with this movement.

Government balances are included in "other liabilities", and the increase in this item to £181 million at the end of August probably reflects tax receipts. The decrease to £159 million in September coupled with a reduction in the Central Bank's holdings of Government Securities points to the use of Commonwealth surplus funds for retirement of Treasury bills. Government securities were reduced by £60 million between September, 1947 and 1948 and the total Treasury bill issue by £75 million over the same period.

The increase in "other assets" from £7 million in September, 1947 to £44 million in July, 1948 may represent advances to trading banks (see comment on page 119) and the subsequent decline to £27 million at the end of September would be in consonance with repayment of such loans.

COMMONWEALTH BANK - CENTRAL BANKING BUSINESS, including note issue.  
(£ millions)

Period	Notes on Issue held by		Trading Banks		Other Liabilities (a)	Gold and Balances abroad	Gov't. and other securities	Other Assets (c)
	Public	Banks	Special A/c.	Other Dep's.				
1938-39-August	33	16	-	21	(b)	(b)	(b)	(b)
Last week of month								
1945-September	170	16	222	30	143	160	418	7
1946-September	180	17	253	25	134	217	392	3
1947-June	184	19	271	21	126	186	429	8
September	177	23	238	29	120	176	405	7
1948-June	174	23	294	28	178	255	397	39
July	173	23	282	23	181	264	377	44
August	173	23	270	29	181	268	369	42
September		197	268	36	159	292	345	27

- (a) Excluding capital and reserve funds. (c) Including coins and bills held.  
(b) Comparable 1939 figures not available.

COMMONWEALTH GOVERNMENT ACCOUNTS:

Commonwealth revenue in the September quarter of 1948 (£115.8 million) was £10 million greater than in 1947, due to increased receipts from income tax, social service contribution, customs, sales tax and pay-roll tax. Defence and post-war charges (after deducting credits to loan funds), required £2.4 million less while expenditure for social services, departmental appropriations and payments to States were higher in 1947. The surplus on revenue account (credited to loan funds) though reduced from £26.8 million in July-August, 1948 to £22.9 million at the end of September, was £9.4 million higher than in the September quarter of 1947. Estimates for the year 1948-49 (which still require parliamentary approval) are shown below with the quarterly figures.

COMMONWEALTH GOVERNMENT ACCOUNTS (£ millions)

R e v e n u e				E x p e n d i t u r e			
Item	Actual		Estimate	Item	Actual		Estimate
	September Qr.		Year		September Qr.		Year
	1947	1948	1948-49		1947	1948	1948-49
Customs & Excise	29.6	30.5	115.0	Social Services	16.5	17.2	92.0
Sales Tax	8.2	9.7	38.0	Paid to States-			
Income Tax & S.S.C.	47.4	57.4	246.0	Tax Reimbursements	7.8	8.9	53.4
Payroll Tax	3.8	4.7	18.0	Other	4.8	5.2	24.5
Other Taxes	2.7	2.7	14.0	Post Office	6.5	8.0	32.5
Total Taxation	91.7	105.0	431.0	Other	20.3	19.6	129.6
Post Office	7.8	8.0	32.8	Total of above	55.9	58.9	332.0
Other	6.3	2.8	45.7	Defence & Post-war(a)	36.4	34.0	177.5
TOTAL REVENUE	105.8	115.8	509.5	TOTAL EXPENDITURE	92.3	92.9	509.5

- (a) Excludes payment from revenue to credit of loan funds, £13.5 million in 1947 and £22.9 million in 1948; 1948-49 estimates provide for £17.7 million defence and post-war charges from loan funds.

### THE SEASON:

Except the Southern and Riverina districts, all parts of the State received good rain falls towards the end of August and in September and early October, greatly improving the crop outlook and pastoral conditions which had been affected by very dry weather in July and early August.

### RAINFALL INDEX, NEW SOUTH WALES.

Weighted average ratio of actual to normal rainfall.

Normal rainfall each month = 100

Period	Sheep Districts					Wheat Districts				Dairying Districts (x)		
	N.	C.	S.	W.	State	N.	C.	S.	State	N.	C.	S.
1944 (Year)	66	54	53	53	57	68	51	52	53	37	69	60
1945 (Year)	99	101	86	77	93	95	100	84	39	114	98	104
1946 (Year)	77	68	101	87	83	62	69	102	88	84	89	80
1947 (Year)	148	161	106	136	136	170	135	115	127	78	70	65
1948 Apr.	80	102	145	75	107	90	112	140	126	92	40	71
May	145	138	120	129	133	117	123	102	109	123	117	106
June	202	204	102	214	172	168	171	111	134	363	194	156
July	79	23	33	28	43	73	19	35	36	20	29	17
Aug.	53	68	50	70	58	50	67	52	56	58	41	14
Sept.	131	113	70	72	100	129	91	72	84	167	185	40

(x) Coastal districts only.

N. Northern; C. Central; S. Southern; W. Western.

### W O O L:

Shearing in New South Wales is proceeding satisfactorily and early reports suggest that the current clip will be heavier than in 1947-48. Deliveries of wool into New South Wales stores in July and August, 1948 totalled 226,000 bales, the highest figures for this period since 1942. Taking account of the carry-over from the previous season and of sales of small quantities of fellmongered wool ex store the balance in store at opening of auction sales was 229,000 bales in 1948, compared with 195,000 bales in 1947.

### RECEIVALS, DISPOSALS AND STOCKS OF WOOL.

(N.S.W. Stores excl. Albury - Thousand Bales)

	1948			1947
	Sydney	Newcastle & Goulburn	Total N.S.W.	Total N.S.W.
Carry-over from June	14	1	15	41
Receipts in July & August	194	32	226	176
Total	208	33	241	217
Disposals, July & August	11	1	12	22
Balance in Store at end of August	197	32	229	195

(a) At commencement of auction sales, 30th August, 1948 and 1st September, 1947.

Prices at the opening auctions of the 1948-49 Sydney selling season were about 5% above the last sales of the previous season but from the second week in September onward bidding became irregular and prices eased though clearances were effected. The average price level during the month was slightly below the closing quotation of 1947-48 but still 45% above September, 1947. The principal demand was from British and Continental countries.

### AVERAGE PRICE FOR GREASY WOOL - SLEDEY

Year ended 30th June	pence per lb.	Month (b)	Pence per lb.
1928	19.5	1947 September	32.5
1931	8.7	1948 February	45.0
1939	10.3	April	41.0
1941 and 1942	13.1(a)	May	43.5
1943 to 1946	15.1(a)	June	47.5
1947	23.3(c)	September	47.0
1948	37.2(c)		

(a) On basis of British Government contract.

(b) Average that would be realised if whole clip were sold at Sydney price levels of that month. Subject to revision.

(c) N.S.W. Averages in 1946-47 23.6d. and in 1947-48 37.9d.



The main wool selling season in Australia runs from September to June, but shipment of a proportion of the wool sold at auction is usually delayed until July and August. Shipment figures for the twelve months ended August, therefore, indicate approximately the purchases of different countries during each season, though not necessarily of the countries of final destination because of resales by British and Continental buyers. Comparing these periods of 1938-39 and 1947-48 the weight of wool shipped increased by 94,000 bales of greasy and 335,000 bales of scoured wool and the total value rose nearly fourfold from £42.7 million to £167.2 million. In the 1938-39 period the United Kingdom took about 44% of total value, France and Belgium together about 28% and Germany and Japan about 13%. The feature of the 1947-48 period was the important role of the United States in the wool market; this country took about five times the pre-war quantity and after the United Kingdom became the largest buyer in terms of value. (In some intermediate years even larger quantities had been shipped to the United States but 1947-48 may be taken as the first year since war began in which buying was confined to normal civilian demand and shipments did not include a large proportion of old stocks). France, Belgium, Italy and Sweden also took larger quantities than before the war, and Soviet Russia with purchases valued at £5.7 million became an important buyer. Shipments to Germany and Japan were resumed, - though they remained below pre-war. The United Kingdom took proportionally less but with a third of the total it remained by far the largest buyer. As a result of wartime development in the scouring industry a much greater proportion is now exported as clean wool, which adds to the export receipts.

EXPORTS OF WOOL, Australia - Twelve Months ended August

Countries of Destination	Sept. '38 to August '39			Sept. '47 to August '48		
	Greasy	Scoured etc.	TOTAL Value	Greasy	Scoured	TOTAL Value
	000 Bales		£mill.	000 Bales		£mill.
United Kingdom	1,131	174	18.8	950	262	54.3
Canada	4	16	0.5	20	57	4.2
United States	81	4	1.4	420	44	27.9
France	513	43	7.2	560	86	27.5
Belgium	324	26	4.5	322	52	16.0
Italy	72	1	1.2	137	23	8.6
Germany	120	8	2.0	69	-	4.0
Japan	234	8	3.7	18	-	1.4
Soviet Russia	-	-	-	81	-	5.7
Other Countries	163	36	3.4	159	127	17.6
T o t a l	2,642	316	42.7	2,736	651	167.2
	Average Value per bale exported					
	£14	£18		£50	£47	

Wool imports (from all countries) into the United Kingdom in 1947 were still below pre-war level. Deducting re-exports of wool, retained imports in 1947 totalled 453 million lbs, compared with 612 million lbs in 1938; in the first half of 1948, however, imports increased to 309 million lbs, (which includes 80 million lbs transferred from Joint Organization stocks abroad,) as against 185 million lbs in January-June, 1947. Wool imports into other countries in 1947-48 tended to fall off from the record level of 1946, though they generally remained above pre-war. The United States imported 102 million lbs in 1938, 1,058 million lbs in 1946 and 644 million lbs in 1947. Total imports in the first four months of 1948 were above 1947, mainly due to larger imports of carpet and apparel wools from Argentina and Uruguay while arrivals from Australia and New Zealand fell off considerably.

The abnormal restocking demand from Continental countries has eased, but as mill capacities continue to expand they are expected to maintain purchases at a high level.

**IMPORTS OF RAW WOOL - CHIEF CONSUMING COUNTRIES**  
 Million lb. - actual weight

Country	Year			Months	
	1938	1946	1947	1947	1948
				January to June	
United Kingdom: Imports	881	475	621	276	392
Re-exports	269	104	168	91	83
Retained Imports	612	371	453	185	309
				January to April	
United States	102	1,058	644	262	336
France	390	482	346	136	120
Belgium	217	250	234	112	52
Canada	16	53	39	13	13
Four Scandinavian Countries	29	63	66	18	17
				January to March	
Italy	83	166	306	95	33
Czechoslovakia	13	19	46	9	13
Netherlands	19	32	56	15	10

From: "Wool Intelligence", Commonwealth Economic Committee.

**W H E A T:**

The Australian's Wheat Board's basic export price for wheat, for sales other than to the United Kingdom, India and New Zealand, has been reduced from the peak of \$1.0.6 a bushel bulk, f.o.b. ports, in January to May, 1948 to 17/- in the September quarter and further to 15/6 as from 1 October, following the recession in wheat quotations in America and Canada. Wheat prices have now returned to the level of early 1947 but are still more than double the prices ruling at the end of the war.

**WHEAT EXPORT PRICES - AUSTRALIA.**  
 Australian Wheat Board's Basic Export Price.

Year or Month	Average of Bulk and bagged per bus. f.o.r. ports	End of Month	Bulk		Bagged	
			per bus. f.o.b. ports		per bus. f.o.b. ports	
	s. d.		s. d.		s. d.	
1939	2 6 x	1946-January	9 6		9 11½	
1945-January	6 5	1947-January	14 0		14 5½	
1946-January	9 8	September	17 0		17 9½	
1947-January	13 8½	Oct.-December	19 6		20 3½	
1948-January	20 4½	1948-January-May	20 6		21 3½	
February-May	20 10	June	18 0		18 10	
August-September	17 4	July-September	17 0		17 10	
		October (15th)	15 6		16 4	

x "Shippers' Limits f.o.r. ports"

Prices fixed in export agreements in 1947-48 are 17/- a bushel for 80 million bushel to the United Kingdom, 18/6 a bushel for 25 million bushel to India and 5/9 a bushel for up to 4½ million bushel to New Zealand, the difference between the New Zealand price and general export price is paid from Commonwealth Consolidated Revenue to the Wheat Board.

The present Australian home consumption price for wheat used for all local requirements is 6/3 per bushel, net weight, Sydney bulk basis, with an additional charge of ¾d per bushel for wheat for stock feed sold in lots of less than 6,000 bushels. The Return to Growers for the 1947-48 crop is based on a guaranteed price of 6/3 per bushel plus 2/2, being half the difference between home price and the export price minimum of 10/7, (the other 2/2 credited to the stabilization fund) plus the difference between 10/7d and the average amount realised for wheat sold for home consumption and export. Up to the end of September advances paid for the 1947-48 harvest totalled 8/6 a bushel bulk.

New South Wales, Victorian and Western Australian wheat growers have voted in favour of the Federal Government's wheat stabilization scheme. The scheme provides for a guaranteed price of at least 6/3 a bushel, f.o.r. ports for bulk wheat up to and including the 1952-53 harvest, the guaranteed price to vary with an index of production costs each season; and for the establishment of a stabilisation fund through a tax on export wheat, if the export price exceeds 6/3 a bushel, the rate to amount to 50% of the difference between the guaranteed price and the export price, but no more than 2/2 a bushel. Approval of South Australian growers (yet to vote) is necessary to make the scheme operative.



DAIRYING:

Rain fall was poor in July and August but pastures held well and were supplemented by hand-feeding.

Butter output in factories in August, 1948 3.43 million lbs., was the best for that month for some years but far below the pre-war average.

PRODUCTION OF BUTTER IN FACTORIES, New South Wales  
(in million lbs.)

Period	Average 3 years		1946-47	1947-48	1948-49
	1937-38 to 1939-40	1943-44 to 1945-46			
July	5.06	3.05	2.64	3.00	2.70
August	5.36	3.45	2.76	2.83	3.43
September	7.09	5.11	3.25	4.03	
December Quarter	36.71	27.06	15.89	23.95	
March Quarter	35.50	26.42	21.82	28.27	
June Quarter	24.21	12.87	14.02	13.99	
Year	113.93	77.96	60.38	76.07	

Supplies of whole milk to the Milk Board in August and September, 1948 recovered from the winter level and were sufficient to meet demands.

MILK SUPPLIES TO MILK BOARD, SYDNEY (million gallons)

	Year		Four weeks ended					
	1946	1947	1947			1948		
			July 24	Aug. 21	Sept. 18	July 22	Aug. 19	Sept. 16
Whole Milk	45.08	45.53	3.56	3.57	3.63	3.33	3.66	3.53
Sweet Cream (Milk Equivalent)	1.95	3.12	0.23	0.25	0.18	0.08	0.09	0.09

Dairy herds in New South Wales were reduced by about 12% during the ten years ended March, 1948 and total milk production decreased from 328 million gallons to 293.5 million gallons. During this period the use of milk for condensary products and fresh milk consumption increased greatly, but butter output fell drastically, from 116 million lbs in 1937-38 to 60 million lbs in 1946-47, recovering to 76 million lbs in 1947-48 (factory output only; an additional 4. to 5. mill. lbs. of butter a year is produced on farms).

The proportion of milk used for butter making decreased from 74% to 57%, while whole milk supplied to the Milk Board rose from 24.4 million gallons (8% of total) to 55.7 million gallons (19%). Greater appreciation of the dietetic value of fresh milk, improved supply organisation and increases in urban population and in average incomes are factors in the greater consumption of fresh milk, and the Milk Board has steadily expanded its supply area to cope with the demand.

Milk used for condensary products more than doubled; these products include condensed milk (3.8 million lbs in 1937-38 and about 4.8 million lbs in 1947-48), concentrated whole milk (1.8 million and about 20 million lbs.) and powdered and malted milk products (3.9 million lbs in 1937-38 and 12.8 million lbs in 1946-47; 1947-48 not yet available). Apart from increased deliveries of whole milk for liquid consumption, the tendency in North Coast districts of this State (and also in other States) has been to deliver whole milk instead of cream to the factories, in response to the high demand for processed milk products and the development of modern factory separation methods; this involves some substitution of grain for milk residue for stock feeding on farms.

Dairy herds in the rest of Australia were not reduced to the same extent as in New South Wales, the total number of dairy cows in Australia being 3.21 million in 1939 and 3.09 million in 1948, but the trend from butter making to processing and liquid milk consumption is common to the whole of Australia.

MILK PRODUCTION AND DISTRIBUTION, New South Wales

Year ended	Milk used					TOTAL YIELD MILK	
	on farms	in factories for			Supplied to		Other Uses
	BUTTER	BUTTER	CHEESE	CONDENSING ETC.	MILK BOARD		
31st March	million gallons - Whole milk Equivalent						
1938	14.2	230.5	7.7	11.8	24.4	328.0	
1944	12.9	181.0	5.4	23.3	35.5	297.2	
1945	12.9	147.6	4.5	21.6	37.3	262.9	
1946	11.6	153.0	5.1	24.1	46.4	278.9	
1947	11.8	124.2	4.8	24.1	52.0	254.1	
1948(a)	11.7	156.4	5.9	26.8	55.7	293.5	

(a) Subject to revision.